

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF INDIANA NEW ALBANY DIVISION	
IN RE:) Chapter 11
EASTERN LIVESTOCK CO., LLC,) Case No. 10-93904-BHL-11
Debtor.) Hon. Basil H. Lorch III
SUPERIOR LIVESTOCK AUCTION, INC.,)
Plaintiff,)
v.)
EASTERN LIVESTOCK CO., LLC,) Adversary Proceeding No. 11-59088
Defendant.)
JAMES KNAUER, AS CHAPTER 11 TRUSTEE FOR)
DEBTOR EASTERN LIVESTOCK CO., LLC,)
Counterclaimant and Third-Party)
Plaintiff,)
v.)
SUPERIOR LIVESTOCK AUCTION, INC.,)
FIFTH THIRD BANK,)
FRIONA INDUSTRIES, L.P.,)
CACTUS GROWERS, INC., and)
J&F OKLAHOMA HOLDINGS, INC.,)
Counterclaim and /or Third-Party Defendants.)
FRIONA INDUSTRIES, L.P.,)
Plaintiff,)
v.)
EASTERN LIVESTOCK CO., LLC, et. al.,) Adversary Proceeding No. 11-59093
Defendants,)
and)
CACTUS GROWERS, INC.,)
Intervenor,)
v.)
EASTERN LIVESTOCK CO., INC., et. al.,)
Defendants,)
and)
J & F OKLAHOMA HOLDINGS, INC.,)
Intervenor,)
v.)
EASTERN LIVESTOCK CO., et. al.,)
Defendants.)

**NOTICE OF FILING MOTION TO COMPROMISE AND SETTLE AND
DATE OF HEARING AND OBJECTION DEADLINE**

A Motion To Approve Settlement Among the Estate, the Trustee, Superior Livestock Auction Inc., And Fifth Third Bank (the "Motion") (Docket No. 1524), pursuant to 11 U.S.C. 9019(a) was filed by James A. Knauer, as chapter 11 trustee (the "Trustee") for Eastern Livestock Co., LLC (the "Debtor") on November 13, 2012.

The Motion was filed on shortened notice and a hearing date of **November 19, 2012 at 10:00 A.M** in New Albany, Indiana has been set. **Any objections must be filed and served on or before 9:00 a.m. EST on November 19, 2012** as more fully set forth herein.

A copy of the Motion is available through Pacer on the Court's website, or on the Trustee's blog at www.easternlivestockbkinfo.com, at the noticing agent's website at www.bmcgroup.com/easternlivestock, or by emailing or calling Terry Hall, counsel to the Trustee at terry.hall@faegrbd.com or 317-237-1230.

The definitive terms of the settlement are set forth in the Settlement Agreement attached to the Motion; however, a general summary of the proposed settlement is as follows:

1. The proposed settlement settles all claims and litigation among James A. Knauer, individually and as Trustee for the estate of Eastern Livestock Co., LLC ("Debtor"), Superior Livestock Auction, Inc. ("Superior"), and Fifth Third Bank

("Fifth Third") arising from or related to the Debtor's chapter 11 case and/or the conduct of the parties both before and after the filing of the Debtor's chapter 11 case.

2. As part of the settlement, Superior will be allowed to retain certain funds it collected related to contested transactions with the Debtor and receive from the Trustee a payment of \$279,000 from the monies held in escrow by the Trustee. In consideration of retaining the funds and receiving the payment, Superior will waive, withdraw and release any and all claims and causes of action against the Debtor's estate, the Trustee, the Trustee's professionals, and Fifth Third to all other monies of the Debtor's estate including any claims Superior may have to the funds seized by the United States Attorney from the bank account of Tommy Gibson. Superior will retain its claim against the bond posted by the Debtor under USDA regulations. Superior will withdraw and/or dismiss with prejudice all pending litigation in the chapter 11 case including all appeals.
3. The Trustee and Fifth Third will in turn waive, withdraw, and release any and all claims they may have against Superior related to the Debtor or the Debtor's estate and withdraw or dismiss with prejudice all pending litigation against Superior.
4. Each of the Estate, Superior, the Trustee, and Fifth Third will also mutually release each other (and each other's officers, directors, employees, shareholders, attorneys, insurers, agents and affiliates, predecessors, successors, past, present and future parents, subsidiaries, assigns and heirs in their capacity as such) from all claims or causes of action known or unknown, direct or indirect.
5. The proposed settlement will add value to the estate by eliminating the costs of continuing litigation and reducing claims against the estate. As further consideration, Superior will be included in the third party release with Fifth Third that may be executed by creditors choosing to opt in to the proposed settlement with Fifth Third in the Trustee's First Amended Chapter 11 Plan of Liquidation.

NOTICE IS GIVEN that any objection to the relief requested in the Motion must be filed in writing in accordance with Local Rule S.D. Ind. B-9013-1 with the Clerk's Office and served on the attorney for the moving party on or before 9:00 a.m. EST on November 19, 2012. Persons not required or not permitted to file electronically must deliver any objection by U.S. mail, courier, overnight/express mail, or in person at:

Clerk, U.S. Bankruptcy Court
110 U.S. Courthouse
121 W. Spring St.
New Albany, IN 47150

The objecting party must also ensure delivery of the objection to the Trustee, Superior and Fifth Third prior to or at the hearing. **If no objections are timely filed, the requested relief may be granted without further action by the Court.**

The Court will hold a hearing on the Motion on:

Date: November 19, 2012
Time: 10:00 a.m. EST
Place: 121 W. Spring Street, Room 103, New Albany, Indiana 47150

The dial-in telephone number for interested parties to participate in the hearing by conference call is 1-888-399-7768; passcode 586676, followed by the pound ("#") key.

WHEREFORE, the Trustee moves the Court for an order approving the compromise and settlement as filed in this matter.

FAEGRE BAKER DANIELS LLP

By: /s/ Terry E. Hall

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